

NOV 13 1978

Mr. Robert Lynn
The Anaconda Company
Uranium Division
P.O. Box 638
Grants, New Mexico 87020

Dear Mr. Lynn:

The October 27, 1978, Mine Examination Report made by USGS causes me some concern, as it does Mr. Dale C. Jones of USGS. In recent discussions with Mr. Bassett at the Gavilan Mesa site, I was informed that the overburden removed from the stripping operation would be used to fill the pit directly north of the Mesa. A map attached to the report shows that NW 17, 23, 27, 32, 37 and 45 are, in fact, not to be filled.

I am strongly opposed to the company's action on its planned reclamation program. I would like an explanation on how the company plans to reclaim this area.

Your prompt attention to this matter will be appreciated.

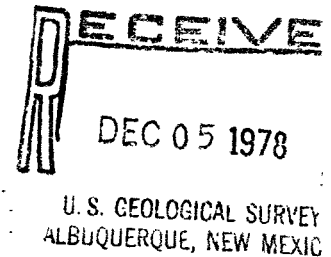
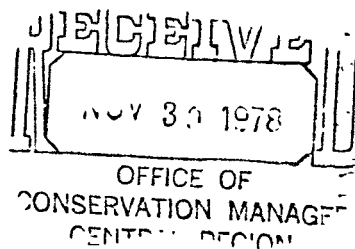
Sincerely,

FLOYD R. CORREA

Original Signed

Floyd R. Correa
Governor

cc. Nordhaus, Moses & Dunn
Richard Schifter
Superintendent, SIA
✓ Cecil Amaras, Secretary
of the Interior



Conservation Division
P. O. Box 26124
Albuquerque, New Mexico 87125

November 7, 1978

Mr. J. R. Anderson
Superintendent of Underground Operations
The Anaconda Company
New Mexico Operations, Uranium Division
P. O. Box 638
Grants, New Mexico 87020

Dear Mr. Anderson:

We are being questioned more frequently about percentage extraction, or mining recovery, in the uranium mines under our jurisdiction. We now believe that verification of the commonly quoted recovery factors is necessary, and we are therefore requesting mining recovery calculations and supporting data from all producing lessees.

At the present time, our above request applies only to your P-7 and P-10 underground mining operations. I assume that mining recovery factors are calculated for the individual stopes in these mining areas, and I understand that several factors may be calculated for each stope depending on the type of ore reserves used in the computations (e.g. reserves from surface drilling versus those from underground longhole drilling). Because of this, I would greatly appreciate receiving a concise but complete description of the various recovery factors calculated and the methods of computation. Such a description would enable me to more clearly define the information that I will need, and it could also avoid my requesting unnecessary information.

I realize that our request may necessarily involve proprietary information and/or data and that compliance with the request may require authorization from your superiors. I would be very pleased to discuss any problems regarding such information or authorizations as well as any other questions you may have about the request. My telephone number is 766-2841.

Thank you very much for your time and cooperation.

Sincerely yours,

(ORIG. SGD.) DALE C. JONES

cc: Chrono
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Dale C. Jones
Mining Engineer



United States Department of the Interior

GEOLOGICAL SURVEY

Conservation Division
P. O. Box 26124
Albuquerque, New Mexico 87125

November 2, 1978

Memorandum

To: Files, Pueblo of Laguna Uranium Lease No. 4

From: Mining Engineer, SRMA

Subject: Excessive surface disturbance from exploration drilling operations on Black Mesa, Lease No. 4, The Anaconda Company

October 27, 1978, I met Mr. Ike Peacock of Anaconda who expressed concern about the construction of drilling sites on Black Mesa. According to Mr. Peacock, the construction of drilling sites and access roads is resulting in excessive surface disturbance despite Anaconda's repeated warnings to the responsible contractor to correct the operations. Mr. Peacock requested that I accompany him on an inspection of the drilling sites.

I accompanied Mr. Peacock and Mr. Don Earnest to several of the drilling sites on Black Mesa and found that excessive surface disturbance is occurring as reported. Most of the drilling sites are larger than necessary, and unnecessary access roads are being constructed. Excessive blading accompanies the construction of both sites and roads. I explained to Mr. Peacock and Mr. Earnest that I could order Anaconda to correct these problems, but it was Anaconda's responsibility to correct the contractor's actions. Mr. Earnest stated that Anaconda had given the contractor a written, 30-day notice to correct his actions or the contract would be cancelled; therefore, he preferred that I not issue such an order, and I agreed. However, Mr. Earnest also noted that the contractor was a Laguna Indian enterprise and that cancellation of the contract could be difficult. If necessary, Anaconda would request that such an order be issued in support of contract cancellation. I advised Mr. Peacock and Mr. Earnest that I would re-inspect the operations and issue an appropriate order upon their request.

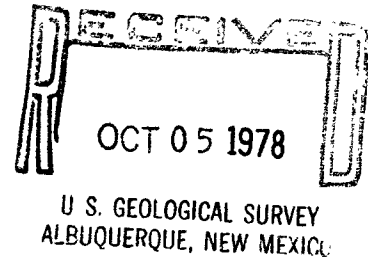


Dale C. Jones
Dale C. Jones
Mining Engineer

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ANACONDA

October 3, 1978



The Honorable Floyd R. Correa
Governor, Pueblo of Laguna
P. O. Box 194
Laguna, New Mexico 87026

Dear Governor Correa:

I have delayed in replying to your July 7 inquiry in order to accumulate information. Please excuse my tardiness.

Your letter mainly deals with allegations by the Union representatives during the May 1978 strike. It is a normal thing for the Union bargaining unit to make completely unfounded or exaggerated allegations during a labor dispute. It is part of the negotiating procedure. We feel that the allegations were completely unfounded and exaggerated in this case.

Our records at mid-September, 1978 show that 49% of salaried and 77% of hourly employees at the mine are Indian, for an overall total Indian employment of 73%. These jobs are broken down as follows:

<u>MINE PAYROLL</u>	<u>SALARIED</u>	<u>HOURLY</u>	<u>OVERALL</u>
Total Personnel	109	590	699
Indian Personnel*	53	456	509
Percentage	49%	77%	73%

The breakdown of Indian personnel at the mine by job category is as follows:

<u>CLASSIFICATION</u>	<u>TOTAL EMPLOYEES</u>	<u>INDIAN*</u>	<u>%</u>
Managers (Department Heads, Supervisors, Foremen, etc.)	54	25	46%
Professionals (Safety Assistants, Engineers, etc.)	20	2	10%
Technicians (Draftsment, Samplers, etc.)	9	3	33%
Office & Clerical (Secretaries, Clerks, etc.)	10	10	100%
Craftsmen (Pay Grades 11 through 13)	223	139	62%
Operatives (Pay Grades 5 through 10)	316	266	84%
Laborers (Pay Grades 3 and 4)	45	44	98%
Service Workers (Pay Grades 1 and 2)	22	20	90%

* Does not include member in-laws, of other than Indian background.

Honorable Floyd R. Correa
Governor, Pueblo of Laguna

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October 3, 1978

This information and the breakdown is compiled for use in reporting to the Federal government.

Enclosed for your information are copies of yearly reports to the Federal government for 1971 through 1977, showing the breakdown by job and employee category. The percentage marked in red is the total Indian employment for the mine and mill.

In response to your question on the stripping contractor, James Hamilton Construction Company is a general contractor who engages in other projects not related to the Laguna operation, however, the bulk of his equipment is committed to Laguna. His Federal Employment Reports (copies enclosed) do not separate employees as to job location, but he does have approximately 50% Indians employed in his Laguna operation. Enclosed are copies of weekly summaries Hamilton submits to us showing percentages and classifications of Indian personnel. At September 10, there were 8 laborers, 36 end-dump drivers, 7 operators, 1 salaried, 2 mechanics/welders, 1 oiler, 5 loader operators and 3 helpers--representing 53.8% of the work force as being Indian.

In addition to Hamilton Construction Company, there are several other outside contractors doing work for Anaconda on the Reservation. They are Hunt & Sons Trucking Company, who has the water hauling contracts, the catering service and who does drillsite preparation; Marmon Engineering Surveys, who does contract surveying in the pit; Olivas Trucking Company, as ore haulers to the Sohio mill; and various contract drilling companies working with our Geology Department from time to time. There are currently 63 employees of these companies working on the Reservation and 46 of these employees are Indian, or about 73%.

We have not been up to full working strength at the mine because of a lack of Indian applicants. We have the impression that we have pretty well exhausted the labor supply available from the Laguna Pueblo. We would hope to interest more female Indians to take employment with us. We are very aware of our commitment to the Pueblo on preferential employment of Indians and this awareness is made evident to our contractors.

You inquired as to certifying operators of equipment. We will implement such a program. We are currently devising a plan of certification and will advise you when we have a program ready to be activated. We will attempt to have Hamilton Construction Company also supply certification of operators.

Although you did not inquire in your July 7 letter, we would like to advise you that we have recently hired a qualified Underground Mine Training Instructor. His main job, at first, will be to detail an underground training program and, when it is complete, we will inform you of its contents and will ask for your comments as we indicated we would some months ago.

Honorable Floyd R. Correa
Governor, Pueblo of Laguna

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October 3, 1978

Regarding your comments on employees attending Pueblo Council meetings, the Company policy for salaried employees is that the employee will be excused with no "docking" of pay. The policy for hourly employees is that there can be an excused absence but not with pay. The Company attempts, when possible, to have these employees work on their regularly scheduled day off to make up the time, if the employee so desires.

It is my impression that we are complying with your request to release an employee on short notice, but we ask that the employee notify us in each case when he is unable to attend the scheduled work period. There has to be a certain amount of diligence on the part of the employee in attending to his work responsibility. If this is not the case it is difficult, if not impossible, for the Company to schedule work properly.

If you have further questions on any of these matters, please let me know. You will always find me ready to discuss any matter with you regarding our operations on your Reservation.

Sincerely,



R.D. LYNN
General Manager

RDL/jms

Encls.

cc: Superintendent, Southern Pueblos Agency

✓ Area Mining Supervisor, U.S. Geological Survey

P. O. Box 26124
Albuquerque, New Mexico 87125

June 26, 1978

Mr. Ernest Wylie
The Anaconda Company
New Mexico Operations, Uranium Division
P. O. Box 638
Grants, New Mexico 87020

Dear Mr. Wylie:

I want to thank you and your staff for your cooperation in our recent examination and discussion of your drilling operations at the Jackpile-Paguate Mine. I hope that our meeting resulted in a better understanding of our drilling requirements and their objectives.

At this time, I would like to further clarify some of the matters that were discussed and possibly some that were not.

1. I have discussed Mr. Peacock's position on the pumping or fencing of the mud pits with Mr. Czarnowsky. If the livestock situation within the mining leases is, in fact, as explained, Mr. Czarnowsky will waive the pumping or fencing requirements provided that written permission from a responsible official of the Pueblo of Laguna is obtained. We will need a copy of such permission for our files.
2. We discussed the problem of litter, and I agree that there could be some improvement in this area while the drilling is in progress. Even though the drill sites are policed when the drilling is completed, I believe that cleanliness throughout the course of the operations will result in a better overall job.
3. I see no problem with your postponing the reclamation of the drill sites until the close-spaced drilling is completed. As I mentioned before, this is common practice when immediate reclamation of the sites would be hampered by ongoing drilling operations.
4. During our meeting, we discussed the plugging of boreholes in the open-pit mining areas. As I stated, I see no need in permanently plugging boreholes that will be consumed by the open-pit workings, but these holes must be temporarily plugged or capped until such time as they are removed by the mining. I do believe that boreholes

located in areas where open-pit mining is questionable should be permanently plugged as soon after completion as possible.

5. During the meeting, we also discussed the problem of recently-completed boreholes being covered with dirt by the surface preparations for nearby drill sites. This covering of the boreholes is not considered to be adequate plugging; therefore, immediate plugging of the boreholes is of the utmost importance, and I suggest that much care be taken to avoid such problems.

As I told you, I see no urgency in obtaining the maps to be used in the search for older, open boreholes if the search will not begin until early 1979. However, it might be wise to find out what maps are available for this purpose so that their adequacy can be determined. Please notify me when you know what maps are available, so that I can discuss them with you.

Again, thank you for your time and cooperation. If you have any questions or problems, please feel free to contact me.

Sincerely yours,

(ORIG. SGD.) DALE C. JONES

DALE C. JONES
Mining Engineer

cc:
File
ACF

DCJones:jeq 6-26-78

Conservation Division
P. O. Box 26124
Albuquerque, New Mexico 87125

March 1, 1978

Mr. Ernest T. Wylie
The Anaconda Company
New Mexico Operations, Uranium Division
P. O. Box 638
Grants, New Mexico 87020

Dear Mr. Wylie:

During my January 10, 1978, inspection, we discussed the location and abandonment of older exploration boreholes in underground mining areas at the Jackpile-Paguate Minesite. Subsequently, I have discussed this matter with Al Czarnowsky, Area Mining Supervisor, and we have agreed on the following recommendations.

We do not believe that your proposal to abandon the older boreholes as they are located during the course of your ongoing drilling operations would provide sufficient coverage to insure that all such boreholes are located. Instead, we request that you conduct a systematic and thorough search for these holes throughout your mining leaseholds. Due to the somewhat "straight line" arrangement of most of the boreholes, we do not believe that such a search will be overly time consuming or expensive. Furthermore, during the search, you should record, preferably on maps, the holes located and properly conditioned for abandonment as well as all holes found already properly abandoned.

Proper plugging of the boreholes will be accomplished by filling the hole columns as much as possible with any remaining drill cuttings and then installing concrete plugs from the hole collars to 5 feet subsurface. The placement of monuments or markers in the concrete surface plugs to designate hole numbers and/or locations is optional. After plugging, any drill cuttings remaining on the surface should be spread out evenly, any open mud pits should be backfilled and graded, and any debris and/or litter should be cleaned up and removed from the site. You should also, especially at sites where excessive grading (cut-and-fill) has occurred, do as much as is reasonably possible to prevent or reduce erosion and to return the land surface to as near to its original condition as possible. Throughout these abandonment operations, you should be as careful as possible to avoid disturbing any vegetation that has re-established on the borehole sites.

Since most of the older borehole sites that we have examined have exhibited fairly good revegetation by native species, we do not believe that seeding of the older sites is necessary, depending on the amount of disturbance created by the abandonment operations. However, we do recommend that you consult with the Pueblo of Laguna and the BIA on this matter, and we would appreciate receiving a copy of their comments and/or recommendations.

Finally, we would like to have an up-to-date map showing the locations of all surface boreholes within your mining leases. One such as Plate 3.1-2, "Map Showing Locations of Surface Drill Holes" (Scale 1" = 1000'), in your comprehensive mining and reclamation plan for the Jackpile-Paguate Minesite would be sufficient if it could be provided in a larger scale (1" = 200' would be ideal). On this map, you should also show the projected final limits of all the open-pit mining operations so that we can determine in what areas permanent plugging of surface drill holes will not be necessary.

Thank you very much for your time and cooperation in this matter, and I must apologize for being so tardy with this letter. If you have any questions, please contact me. I will be keeping in touch with you so that periodic inspections of the abandonments may be scheduled.

Sincerely yours,

(CRIG. SGL.) DALE C. JONES

DALE C. JONES
Mining Engineer

cc: T. R. Beck, General Manager, The Anaconda Company
Superintendent, Southern Pueblos Agency, BIA
Governor, Pueblo of Laguna
Files

DCJones:csj

Conservation Division
P. O. Box 26124
Albuquerque, New Mexico 87125

February 24, 1978

Mr. T. R. Beck, General Manager
The Anaconda Company
New Mexico Operations, Uranium Division
P. O. Box 638
Grants, New Mexico 87020

Dear Mr. Beck:

We have received your annual mine map for the Jackpile-Paguate mining operations. The map is not satisfactory because we cannot determine the annual stripping, mining, stockpiling, and waste dumping progress. We could possibly determine such progress if we had the ability to use this map as an overlay; however, we would rather have a map showing the annual progress in color. Please submit such a map as soon as possible.

In addition, we did not receive annual mine maps for the underground mining operations at the Jackpile-Paguate minesite. These maps should also show the annual progress in a color format and should be submitted as soon as possible.

Thank you very much for your time and cooperation in this matter. If you have any questions regarding the annual mine maps, please feel free to contact me.

Sincerely yours,

(ORIG. SCD.) DALE C. JONES

DALE C. JONES
Mining Engineer

cc: Files

DCJones:csj

P. O. Box 1716
Carlsbad, New Mexico 88220

May 11, 1977

T. R. Beck
General Manager
The Anaconda Company
Box 638
Grants, New Mexico 87020

Dear Ted:

I have processed your report regarding exploration activities on Laguna Leases 1, 4 and 6 for the quarter ending December 31, 1976. The following items need to be corrected or clarified in order to complete the report.

1. No drill hole location map, mineralization summaries or abandonment notices were submitted for the reported holes. Please submit same as soon as possible.
2. Hole PD-2888 on lease 1 was evidently incomplete at the end of the quarter and, therefore, should not have been reported. Only boreholes completed during the quarter need be reported.
3. No electric logs were received for the following holes:
 - a. Lease 1: PD-2717, -2754, -2759, -2760, -2731 and -2798; and
 - b. Lease 4: PD-2798.If these logs cannot be obtained, please explain why.
4. According to the electric logs (two identical copies for each hole), the holes listed below were reported twice, once for each lease.

PD-2324	PD-2757
-2673	-2781
-2682	-2791

Please indicate the appropriate lease for each hole.

5. Hole PD-2769 was also reported for each lease and four logs (two separate sets of two identical logs) were submitted. Please clarify this situation.

The annual underground mine maps were satisfactory. However, the open-pit mine map does not show annual mining progress, overburden stripping, etc., and is being returned for completion. Please show the work completed during the year in a manner similar to that used on the underground mine maps. Also, in the future, only one copy of each map need be submitted.

Your earliest attention to these corrections and clarifications will be appreciated. Should you have any questions, please feel free to contact me. Thank you very much for your time and cooperation.

Sincerely yours,



Dale C. Jones
Mining Engineer

DCJ:cj

Enclosures

file

P. O. Box 1716
Carlsbad, New Mexico 88220

February 2, 1977

Mr. T. R. Beck
General Manager
The Anaconda Company
New Mexico Operations
Uranium Division
P. O. Box 638
Grants, New Mexico 87020

Dear Mr. Beck:

As per our telephone conversation of February 2, 1977, enclosed are prospecting permit report forms (Form 9-375) for Laguna Uranium Leases 1, 4 and 8 for the quarter ending December 31, 1976. Please complete these reports and return one copy of each to this office as soon as possible. The other copy of each report should be retained for your files.

In the future, these quarterly report forms will be sent to you regularly. In addition to the completed reports, it will be necessary for you to submit the following:

- 1) completed abandonment notices (Form 9-331a, enclosed), in duplicate, for each drill hole completed during that quarter,
- 2) a copy of the gamma ray log for the entire depth of each drill hole completed during that quarter,
- 3) copies of the lithology logs for any core holes completed during the quarter,
- 4) a mineralization summary for each completed drill hole showing total depth of the hole and the depth, thickness and grade of any mineralization encountered, and
- 5) a map showing the locations of all completed drill holes.

So that we may update our records, please submit a map or maps showing the locations and mineralization encountered of all drill holes completed on Leases 1, 4 and 8 except those holes that have been mined through.

In order to comply with 25 CFR 177.9, it is necessary for you to submit to this office an annual operations report for each lease. I have enclosed two copies of the annual report form currently being used by most uranium operators, one of which shows what type of information should be included in the report. This form is, however, designed primarily for exploration activities, and significant modifications may be required for mining operations. Therefore, I have also enclosed a copy of 25 CFR 177 for your use in preparing these reports.

Also, in accordance with 25 CFR Part 177 and 30 CFR 231, it is necessary for you to submit to the Area Mining Supervisor, for his approval, an exploration plan for Lease 8 before any operations can be conducted. This plan should conform to our requirements for exploration plans, copy enclosed, and I have also enclosed a sample plan which provides an adequate format for such a plan.

If you have any questions regarding the above report and plan requirements, please feel free to contact this office. I think we can prevent and/or resolve any problems with adequate communication. Thank you very much for your time and cooperation.

Sincerely yours,

Dale C. Jones
Mining Engineer
For Acting Area Mining Supervisor

DCJ:cj

Enclosures